

**MASSACHUSETTS**

Public Employee Retirement Administration Commission  
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**M E M O R A N D U M**

TO: All Retirement Boards

FROM: Robert F. Stalnaker, Executive Director

RE: Follow up to Noncontributory COLA Memo

DATE: March 19, 1999

The Commission has received inquiries on the implementation of the library trustee creditable service local option provision of Chapter 456 of the Acts of 1998. In order to purchase creditable service, the library trustee must be a member of a system, but need not be a member of the system from which he or she seeks to purchase creditable service. The library trustee must be eligible to receive a retirement allowance at the time they purchase such service. The library trustee would purchase the creditable system from the system of which they are a member. That system could then seek reimbursement pursuant to G.L. c. 32, § 3(8)(c).

A copy of Chapter 456 is attached for your use. We trust the foregoing is of assistance. If you have further questions or concerns, please contact this office.

COMMONWEALTH OF MASSACHUSETTS

1998 REGULAR SESSION

CHAPTER 456

SYNOPSIS: AN ACT RELATIVE TO GRANTING COST OF LIVING ADJUSTMENTS TO NONCONTRIBUTORY RETIREES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Subdivision (1) of section 4 of chapter 32 of the General Laws, as appearing in the 1996 Official Edition, is hereby amended by inserting after paragraph (o) the following paragraph:--

(o 1/2) Any member, eligible to receive a retirement benefit pursuant to the provisions of this chapter, who served as a library trustee for a city or town, in which position he received no compensation, may establish credit for such service by depositing in the annuity savings fund of the system of which he is a member a sum equal to the amount which would have been paid into such fund during such period if such position had been compensated at the rate of \$2,500 per year, plus regular interest to the date of payment. This paragraph shall apply only to persons who served as library trustees in a city or town that accepts this paragraph, in a town by vote of the annual town meeting and in a city by vote of the city council subject to the provisions of its charter.

SECTION 2. Section 102 of said chapter 32, as most recently amended by section 7 of chapter 17 of the acts of 1997, is hereby further amended by adding the following paragraph:--

(g) Whenever a cost of living adjustment is granted pursuant to said paragraph (a), a former employee, or spouse or other beneficiary of such employee, who is receiving a noncontributory pension from the commonwealth under the provisions of this chapter or under corresponding provisions of earlier laws or any other general or special law, shall receive the same cost of living adjustment from the commonwealth in accordance with the applicable provisions of this chapter or under corresponding provisions of earlier laws or any other general or special laws.

SECTION 3. Section 103 of said chapter 32, inserted by section 8 of said chapter 17 is hereby amended by adding the following paragraph:--

(h) Whenever a cost of living adjustment is granted pursuant to the provisions of paragraph (c), a former employee of a county, city, town, district, or authority, or spouse or other beneficiary of such employee, who is receiving a noncontributory pension from such governmental unit under the provisions of this chapter or under corresponding provisions of earlier laws or any general or special law, shall receive the same cost of living adjustment from such governmental unit in accordance with the applicable provisions of this chapter or under corresponding provisions of earlier laws or any other general or special law, if the legislative body of such governmental unit accepts this paragraph by a majority vote. For purposes of this paragraph, legislative body shall mean in the case of a city the city council in accordance with its charter, in the case of a town the town meeting, in the case of a county the county retirement board advisory council, in the case of a district the district members, and in the case of an authority the governing body.

SECTION 4. The provisions of section 2 shall apply to cost of living adjustments made on or after July 1, 1998.

SECTION 5. The provisions of section 3 may apply to cost of living adjustments made on or after July 1, 1998.

#### HISTORY:

Approved January 14, 1999. Governor.